IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE ANTONY DOMINIC

FRIDAY, THE 7TH SEPTEMBER 2007 / 16TH BHADRA 1929

WP(C).No. 20206 of 2007(E)

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PETITIONER:

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P.CHANDRIKA,
KRISHNA OIL MILLS, MUNDELA P.O., VELLANADU,
NEDUMANGADU.

BY ADV. DR.K.P.KYLASANATHA PILLAY
SRI.V.SADASIVAN
SRI.M.AYYOOBUKHAN
SRI.K.JITHIN

RESPONDENTS:

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1. THE CHIEF MANAGER,
KERALA FINANCIAL CORPORATION,
VELLAYAMBALAM, THIRUVANANTHAPURAM.

2. MAYA KRISHNAN,
ASSISTANT MANAGER (RECOVERY),
KERALA FINANCIAL CORPORATION, VELLAYAMBALAM,
THIRUVANANTHAPURAM.

3. THE GENERAL MANAGER,
DISTRICT INDUSTRIES CENTRE, THIRUVANANTHAPURAM.

4. THE FINANCE SECRETARY,
MINISTRY OF FINANCE, GOVERNMENT SECRETARIAT,
THIRUVANANTHAPURAM.

BY ADV. SRI.R.S.KALKURA, SC, KFC
GOVERNMENT PLEADER SRI. I.V. PRAMOD

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 07/09/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

**ANTONY DOMINIC,J.**

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**W.P ( C) No. 20206 of 2007**

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**Dated this the 7th day of September, 2007**

**J U D G M E N T**

Petitioner had availed of financial assistance from the 1st respondent and thereafter default was committed. Finally, the petitioner had applied for settlement of the liability under One Time Settlement Scheme from Exhibit -P5 (a). Respondents had stated their terms for considering the application of the petitioner and those re-conditions were satisfied by the petitioner and necessary amount as directed, were also remitted. Though the application of the petitioner was considered, the same was rejected by the respondents. The reason for rejection is that in terms of the Scheme then prevailing, as against the petitioner is total liability. The petitioner should have made an offer at least Rs. 20,57,000/-, submits the cheque amount for the 1st petitioner. According to him, as against this, petitioner insisted her willingness to pay only Rs. 8,50,000/- and therefore, the offer has to be rejected. This has been informed to the petitioner by Exhibit-P8 also.

2. The prayer sought for in this writ petition is to quash Exhibit-P8 and to direct the respondents to settle the liability by

remitting the balance principal amount avoiding interest and penal interest.

3. Essentially the relationship between the 1st respondent and the petitioner is contractual in nature and the liability arising out of the said contract have to be settled in terms thereof. Therefore, this court will not be justified in directing that the interest and other liabilities of the petitioner should be exempted from interest and other penal consequences which are provided in the contract. If availing of the One Time Settlement Scheme, the petitioner has to pay Rs. 20,57,000/- as submitted by the Learned Counsel for the 1st respondent, petitioner ought to have accepted the same, instead of insisting that she prays only Rs.8,50,000/-. In this respect, this court will not be justified in directing the respondent to settle the liability on the terms dictated by the petitioner.

In the result, I do not find any ground in this writ petition and accordingly, the writ petition is dismissed.

**(ANTONY DOMINIC, JUDGE)**

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**K.THANKAPPAN,J**

**CRL.A. NO.92 OF 1999**

**ORDER**

**25th May, 2007**